1/27/11 5:02PM

E-filed on **January 27, 2011**

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re: **Ad Systems Communications Inc.**

Debtor(s)

Case # **10-32725-BAM**
Chapter **11**
Trustee

AMENDMENT COVER SHEET

Amendment(s) to the following are transmitted herewith. Check all that apply.

( ) Petition (must be signed by debtor ***and*** attorney for debtor per Fed. R. Bankr. P. 9011)

( ) Summary of Schedules

( ) Schedule A - Real Property

( ) Schedule B - Personal Property

( ) Schedule C - Property Claimed as Exempt

(x) Schedule D, E, or F, and/or Matrix, and/or List of Creditors or Equity Holders

- ( ) Add/delete creditor(s), change amount or classification of debt - **$26.00 fee required**
- (x) Add/change address of already listed creditor, add name/address of attorney for already listed creditor, amend petition, attach new petition on converted case, supply missing document(s) - **no fee**

* Must provide diskette and comply with Local Rule 1007 if add/delete creditor or add/change address of already listed creditor

( ) Schedule G - Schedule of Executory Contracts & Unexpired Leases

( ) Schedule H - Codebtors

( ) Schedule I - Current Income of Individual Debtor(s)

( ) Schedule J - Current Expenditures of Individual Debtor(s)

( ) Statement of Financial Affairs

Declaration of Debtor

I (We) declare under penalty of perjury that the information set forth in the amendment(s) attached hereto is (are) true and correct to the best of my (our) information and belief.

/s/ J. Michael Heil
J. Michael Heil
Debtor's Signature
Date: **January 27, 2011**

(Revised 4/19/04)

B6E (Official Form 6E) (4/10)

.

In re **Ad Systems Communications Inc.**, Debtor — Case No. **10-32725-BAM**

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS - AMENDED

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

☐ **Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

☐ **Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

■ **Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to $11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

☐ **Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to $5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

☐ **Deposits by individuals**

Claims of individuals up to $2,600* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

■ **Taxes and certain other debts owed to governmental units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

☐ **Commitments to maintain the capital of an insured depository institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507 (a)(9).

☐ **Claims for death or personal injury while debtor was intoxicated**

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* *Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.*

2 continuation sheets attached

B6E (Official Form 6E) (4/10) - Cont.

In re **Ad Systems Communications Inc.**, Debtor

Case No. **10-32725-BAM**

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS - AMENDED

(Continuation Sheet)

Wages, salaries, and commissions

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	CODEBTOR	Husband, Wife, Joint, or Community (H W J C)	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY	AMOUNT ENTITLED TO PRIORITY
Account No. **Casey Gibson** **585 Maple Court** **Aumsville, OR 97325**		-	**Consulting/Sales**				500.00	0.00	500.00
Account No. **Dave Allen** **3835 Willowbrook Drive** **Douglasville, GA 30135**		-	**Consulting/Sales**				2,500.00	0.00	2,500.00
Account No. **Dave Carter** **829 SE 165th Avenue** **Portland, OR 97233**		-	**Consulting/Sales**				1,885.00	0.00	1,885.00
Account No. **Tony Lenzi** **817 E. Knapp Street** **Milwaukee, WI 53202**		-	**Consulting/ Sales**				2,000.00	0.00	2,000.00
Account No.									
Subtotal (Total of this page)							6,885.00	0.00	6,885.00

Sheet 1 of 2 continuation sheets attached to Schedule of Creditors Holding Unsecured Priority Claims

In re **Ad Systems Communications Inc.**, Case No. **10-32725-BAM**

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS - AMENDED

(Continuation Sheet)

Taxes and Certain Other Debts Owed to Governmental Units

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	CODEBTOR	Husband, Wife, Joint, or Community (H W J C)	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY / AMOUNT ENTITLED TO PRIORITY
Account No. **Internal Revenue Service** **P.O. Box 7346** **Philadelphia, PA 19101-7346**		-	**Taxes**				**2,019.86**	**0.00** **2,019.86**
Account No.								
Account No.								
Account No.								
Account No.								

Sheet **2** of **2** continuation sheets attached to Schedule of Creditors Holding Unsecured Priority Claims

	Amount of Claim	Not Entitled / Entitled to Priority
Subtotal (Total of this page)	**2,019.86**	**0.00** **2,019.86**
Total (Report on Summary of Schedules)	**8,904.86**	**0.00** **8,904.86**

United States Bankruptcy Court
District of Nevada

In re **Ad Systems Communications Inc.** Case No. **10-32725-BAM**

Debtor(s) Chapter **11**

STATEMENT OF FINANCIAL AFFAIRS - AMENDED

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

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1. Income from employment or operation of business

None ☐

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
$223,835.00	**2008 Income**
$428,012.00	**2009 Income**
$976,236.88	**2010 YTD Income**

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2. Income other than from employment or operation of business

None ■

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE

3. Payments to creditors

None ■ ***Complete a. or b., as appropriate, and c.***

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than $600. Indicate with an (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING

None ☐ b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than $5,850*. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
Martin Alcock 43 Citadel Bay NW Calgary, AB T3G3Y4, Canada	**9/30/2010, 10/01/2010, 10/15/2010 (Amount represents total aggregate paid to creditor)**	**$35,000.00**	**$66,000.00**
Richard Slezak, PC 6446 Fairway Avenue, SE Suite 120 P.O. Box 3909 Salem, OR 97302	**9/30/2010, 10/8/2010, 11/15/2010 (Amount represents total aggregate paid to creditor)**	**$31,848.18**	**$0.00**
Paychex Mike Brown 10757 South Riverfront Pkwy., Suite 200 South Jordan, UT 84095	**09/30/2010**	**$9,463.21**	**$0.00**
J&J Consultants, LLC 1393 N. Bennett Circle Farmington, UT 84025	**09/30/2010**	**$8,030.84**	**$15,204.94**
Kramer Electronics 108 Kennar Way Folsom, CA 95630	**09/22/2010**	**$22,090.40**	**$0.00**
Superior Broadband P.O. Box 22014 Mesa, AZ 85277	**9/22/2010**	**$15,000.00**	**$0.00**
TVS Cable Archie Everage 2742 Highway 550 E Hindman, KY 41822	**11/23/2010**	**$6,394.76**	**$0.00**
Eugene Anderson, P.C. 311 S. Holly Street Medford, OR 97501	**11/19/2010**	**$10,000.00**	**$0.00**
Jeff H. Boiler, OSB Attorney-at-Law P.O. Box 550 Pleasant Hill, OR 97455	**11/16/2010**	**$12,500.00**	**$0.00**

* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

None ☐ c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**03/31/2010, 04/12/2010, 07/31/2010 (Amount represents total aggregate paid to creditor)**	**$10,700.00**	**$500,000.00**

4. Suits and administrative proceedings, executions, garnishments and attachments

None ☐ a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
MegAvail, Inc., an Oregon Corporation, Plaintiff, v. Market Specific Media, Inc., a Nevada corporation, Ad Systems, Inc., a Utah corporation, Praebius Communications, Inc., a Nevada corporation; Dustin Carlson, David Carter, Chee Lee, Aundria Mazoros, Martin Alcock, J. Micheal Heil, and Ad Systems Communications, Inc., a Nevada Corporation.	**Limited Judgment**	**Circuit Court of Oregon County of Marion**	**Pending - Debtor and Codefendants are currently appealing judgement**

None ■ b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY

5. Repossessions, foreclosures and returns

None ■ List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY

6. Assignments and receiverships

None ■ a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT

None ■ b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY

7. Gifts

None ■ List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than $200 in value per individual family member and charitable contributions aggregating less than $100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT

8. Losses

None ■ List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case.** (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS

9. Payments related to debt counseling or bankruptcy

None ☐ List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
The Schwartz Law Firm **701 E. Bridger Avenue, Suite 120** **Las Vegas, NV 89101**	**11/30/2010** **12/03/2010**	**$23,000.00** **$1,300.00**

10. Other transfers

None ■ a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED

None ■ b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY

11. Closed financial accounts

None ■ List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING

12. Safe deposit boxes

None ■ List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY

13. Setoffs

None ■ List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF

14. Property held for another person

None ■ List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY

15. Prior address of debtor

None ■ If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS	NAME USED	DATES OF OCCUPANCY

16. Spouses and Former Spouses

None ■ If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor’s spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

None ■ a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW

None ■ b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW

None ■ c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION

18 . Nature, location and name of business

None □ a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

NAME	LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN)/ COMPLETE EIN	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
Ad Systems Communications, Inc.	**35-2372913**	**495 State Street, Suite 459 Salem, OR 97301**	**Ad Systems Communications, Inc. is engaged in the business of developing, manufacturing, selling and managing advertisement insertion hardware, software systems and services.**	**11/30/2009-Present**

None ■ b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME	ADDRESS

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

*(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

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19. Books, records and financial statements

None ☐ a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS	DATES SERVICES RENDERED
J&J Consultants, LLC 1393 N. Bennett Circle Farmington, UT 84025	**2009-2010**
Robert Nickolas Jones 1393 North Bennett Circle Farmington, UT 84025	**11/30/2009-Present**

None ☐ b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME	ADDRESS	DATES SERVICES RENDERED
Sadler, Gibb & Associates, LLC	**P.O. Box 411 Farmington, UT 84025**	**2009-Present**

None ☐ c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME	ADDRESS
J&J Consultants, LLC	**1393 N. Bennett Circle Farmington, UT 84025**

None ☐ d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within **two years** immediately preceding the commencement of this case.

NAME AND ADDRESS	DATE ISSUED
Securities and Exchange Commission Los Angeles Regional Office Rosalind Tyson, Regional Director 5670 Wilshire Boulevard, 11th Floor Los Angeles, CA 90036-3648	**2009-2010**

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20. Inventories

None ☐ a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market or other basis)
09/30/2010	**Robert Nickolas Jones**	**$65,796.61**

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market or other basis)
12/6/2010	**Robert Nickolas Jones**	**$65,796.61**

None ☐ b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY	NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY RECORDS
09/30/2010	**Robert Nickolas Jones 1393 North Bennett Circle Farmington, UT 84025**
12/6/2010	**Robert Nickolas Jones 1393 North Bennett Circle Farmington, UT 84025**

21 . Current Partners, Officers, Directors and Shareholders

None ■ a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS	NATURE OF INTEREST	PERCENTAGE OF INTEREST

None ☐ b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
J. Michael Heil 38888 Ridge Drive Scio, OR 97374	**President/CEO**	**Common stock - 29.2%**
Robert Nickolas Jones 2141 Katies Way Clearfield, UT 84015	**Secretary/Treasurer**	**Common stock - 29.2%**

22 . Former partners, officers, directors and shareholders

None ■ a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL

None ■ b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS	TITLE	DATE OF TERMINATION

23 . Withdrawals from a partnership or distributions by a corporation

None ☐ If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**12/08/2009 - Consulting Fees**	**$3,500.00**

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**12/23/2009 - Consulting Fees**	**$2,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**12/31/2009 - Consulting Fees**	**$500.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**01/06/2010 - Consulting Fees**	**$800.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**01/08/2010 - Consulting Fees**	**$4,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**1/22/2010 - Consulting Fee**	**$2,500.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**1/28/2010 - Travel Reimbursement**	**$1,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**02/04/2010 - Consulting Fees**	**$4,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**02/07/2010 - Travel Reimbursement**	**$1,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**02/24/2010 - Travel Reimbursement**	**$3,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**02/26/2010 - Consulting Fees**	**$1,380.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**08/28/2010 - Consulting Fees**	**$4,000.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**03/31/2010 - Consulting Fees**	**$7,200.00**
J. Michael Heil **38888 Ridge Drive** **Scio, OR 97374** **President/CEO**	**03/31/2010 - Travel Reimbursement**	**$5,700.00**

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**04/02/2010 - Consulting Fees**	**$4,000.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**04/20/2010 - Consulting Fees**	**$4,000.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**04/29/2010 - Consulting Fee**	**$200.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**04/30/2010 - Consulting Fee**	**$330.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**06/15/2010 - Consulting Fee**	**$1,848.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**07/09/2010 - Travel Reimbursement**	**$1,063.70**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**07/12/2010 - Consulting Fees**	**$500.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**07/16/2010 - Consulting Fees**	**$300.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**07/22/2010 - Travel Reimbursement**	**$3,000.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**07/28/2010 - Travel Reimbursement**	**$1,500.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**08/036/2010 - Travel Reimbursement**	**$2,000.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**08/10/2010 - Telephone**	**$500.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**08/27/2010 - Travel Reimbursement**	**$3,109.28**

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**08/31/2010 - Consulting Fees**	**$3,985.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**09/08/2010 - Travel Reimbursement**	**$1,500.00**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**09/30/2010 - Travel Reimbursement**	**$1,200.00**
Gordon Jones 1393 Bennett Circle Farmington, UT 84025 Gordon Jones is not an officer or director of the Debtor and is only deemed an insider pursuant to the Bankruptcy Code because he is the father of Robert Nickolas Jones, the Debtor's Treasurer/Secretary.	**08/06/2010**	**5,000,000 shares issued**
J. Michael Heil 38888 Ridge Drive Scio, OR 97374 President/CEO	**11/17/2010**	**120,500,000 shares issued**
Robert Nickolas Jones 2141 Katies Way Clearfield, UT 84015 Treasurer/Secretary	**11/17/2010**	**120,500,000 shares issued**

24. Tax Consolidation Group.

None ■ If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER (EIN)

25. Pension Funds.

None ■ If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER (EIN)

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date **January 27, 2011** Signature **/s/ J. Michael Heil**
J. Michael Heil
CEO/Chairman of the Board

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571